

Unofficial Draft Copy
As of: August 20, 2012 (1:37pm)

LCmalp

**** Bill No. ****

Introduced By *****

By Request of the Economic Affairs Interim Committee

A Bill for an Act entitled: "An Act removing the statutory requirement for an advisory council appointed by the insurance commissioner to provide advice on risk management activities to the joint underwriting association; amending section 33-23-520, MCA; and providing an immediate effective date."

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 33-23-520, MCA, is amended to read:

"33-23-520. Risk management. (1) The association shall establish a risk management program for persons or entities insured by the association.

(2) The risk management program must include:

(a) standards for systematic investigation and reporting of claims and incidents; and

(b) a loss control program. The loss control program must include procedures for:

(i) analysis of claim frequency, severity, and causes of loss;

(ii) identification of situations that may produce large losses;

(iii) development of measures to control losses;

(iv) monitoring of the effectiveness of the loss control

Unofficial Draft Copy

As of: August 20, 2012 (1:37pm)

LCmalp

measures that are implemented; and

(v) education of insured health care providers and health care facilities on methods to reduce or prevent losses.

(3) The commissioner ~~shall~~ may appoint an advisory council ~~consisting of three health care providers and three professional insurance risk managers~~ to provide advice to the association on risk management activities."

{ Internal References to 33-23-520: None. }

NEW SECTION. **Section 2.** {standard} **Effective date.** [This act] is effective on passage and approval.

- END -

{ Name : Pat Murdo
Title : Legislative Research Analyst
Agency: Legislative Services Division
Phone : 444-3594
E-Mail: pmurdo@mt.gov }